10/3/1973

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October 3, 1973

The Board of Directors
POINT

I have examined financial statements of POINT as at April 30, 1973, and for the fiscal year then ended as follows:

Exhibit A - Fund Balance Sheet

Exhibit B - Statement of Income and Fund Balance

Exhibit C - Schedule of Investment

Exhibit D - Statement of Changes in Financial Position

Exhibit E - Schedule of Grants.

My examination was made in accordance with generally accepted auditing standards, and included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances.

In my opinion, the accompanying financial statements listed in the preceeding paragraph present fairly the financial position of POINT at April 30, 1973, and the results of its operations for the fiscal year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

Sincerely yours,

Donald F. Moon

Donald Frederick Moon

Certified Public Accountant

EXHIBIT A

POINT

FUND BALANCE SHEET
April 30, 1973
Whole Dollars

ASSETS

Current assets:		
Cash in checking account	$ 26,282	
Cash in savings accounts	138,930	
Prepaid expense (unexpended balance-Michael Phillips funds)	1,303	
Account receivable - Random House	34,253	
Loan receivable - Project Jonah	8,000	
Loan receivable - Ron Jones	3,600	
Accrued savings and bond interest receivable	1,772	
Inventory - Random House (last printing cost)	32,788	$ 246,928
Investments (Exhibit C)		600,798
Furniture and equipment (less depreciation of $157)		2,344
		$ 850,070

LIABILITIES AND FUND BALANCE

Current liabilities:		
Accounts payable	$ 85	
Salaries payable	700	
Payroll taxes payable	306	
Commissions payable	5,891	
Total liabilities		$ 6,982
Fund balance (Exhibit B)		843,088
Total liabilities and fund balance		$ 850,070

The accompanying notes are an integral part of this statement.

EXHIBIT B

POINT

STATEMENT OF INCOME AND FUND BALANCE
May 1, 1972 to April 30, 1973
Whole Dollars

Income:		
Sale of catalogs net of returns	$ 446,361	
Less sales commissions	71,969	
Net income from catalog sales		$ 374,392
Interest and dividends		29,269
Contributions		4,210
Miscellaneous income		749
Total income		408,620
Less operating expenses:		
Salaries	38,636	
Travel and automobile	5,725	
Rent	3,894	
Office supplies	2,079	
Telephone	1,754	
Public information	1,445	
Legal and accounting	1,285	
Other professional services	1,109	
Payroll taxes	542	
In-house projects	153	
Insurance	101	
Miscellaneous	1,052	
Depreciation	157	
Total expenses		57,932
Income from operations		350,688
Less non-recurring expenses:		
Loss on disposition of airplane parts and sale of 1,000 shares of Scott Paper Co. stock		3,792
Net income before grants		346,896
Less net grants paid (Exhibit E)		274,969
Net income after grants		71,927
Fund balance - beginning of year		771,161
Fund balance - end of year		$ 843,088

The accompanying notes are an integral part of this statement.

EXHIBIT C

POINT

SCHEDULE OF INVESTMENTS AT COST
April 30, 1973
Whole Dollars

STOCKS:	NUMBER OF SHARES	COST
Bankamerica Corp.	400	$ 27,448
Hyster Co.	500	21,831
Standard Oil Co. - New Jersey	400	29,000
Transamerica Corp.	2000	36,623
American Telephone & Telegraph	400	16,724
The Southern Company	1500	29,718
Stauffer Chemical Co.	300	12,735
South Jersey Industries	1300	29,758
Santa Fe Industries	1000	31,505
Libby Owens Ford	1000	48,319
American Home Products	200	18,036
American Products Co.	300	15,785
Schering Plough Co.	300	26,371
Textron, Inc.	600	18,806
IBM	100	32,349
Zomeworks Corp.	30000	30,000
Kennecott Copper Corp.	1	29
American Metal Climax	1	34
First National City Corp.	500	38,512
Xerox Corporation	100	16,215
American General Insurance	2100	39,909
Allegheny Power Systems, Inc.	1000	23,029
Total stocks		542,736
BONDS:		
R.H. Macy & Co., 5% due 11/15/92 $30,000 par		38,062
Connecticut Light & Power, 7-3/8%, due 12/1/2001		20,000
Total		$ 600,798

The accompanying letter is an integral part of this statement.

EXHIBIT D

POINT

STATEMENT OF CHANGES IN FINANCIAL POSITION
May 1, 1972 to April 30, 1973
Whole Dollars

Working capital was provided by:		
Net income, Exhibit B from operations		$ 350,688
Add depreciation not requiring working capital		157
Total provided by operations		350,845
Sale of stock		13,048
Total provided		$ 363,893
Working capital was used for:		
Purchase of securities	$ 214,818	
Purchase of equipment	1,301	
Distribution to grantees	274,969	491,088
Decrease in working capital		$ 127,195
Decrease in working capital:		
Current assets, beginning of year	$ 398,180	
Less current liabilities, beginning of year	31,037	
Working capital, beginning of year		$ 367,143
Current assets, end of year	246,928	
Less current liabilities end of year	6,980	239,948
Decrease in working capital		$ 127,195

The accompanying notes are an integral part of this statement.

EXHIBIT E

POINT
SCHEDULE OF GRANTS
May 1, 1972 to April 30, 1973

	Goodworks Collective	$ 6,000
*1	Esalen Institute Schools	1,871
	Phillip Wallin	1,000
	San Francisco Zen Center	8,000
	Zome Works	2,700
	Stanford Law School	3,500
	Community Sex Information Center	4,200
	Center for Environmental Action	1,000
	Greg Archibald	560
*2	Life Forum	10,277
	Stephanie Mills	6,000
	Environmental & Resources Analysis Center	1,000
	Barbara Bell	1,500
	Hilton Braithwaite	100
	Sandy Demarest	1,500
	Community Development Fund	1,000
	Mats Stegestom	1,000
	Ecology Center	4,000
	Herbert Kutchins	5,000
	Public Advocates	200
	Ron Jones	1,000
*2	Life Forum (loan converted)	6,300
	Alan Chadwick	2,000
	AGAPE	6,200
	Henry Goetz	500
	Chas. Watson	2,500
	Harvey Neese	1,000
	Institute For Research Social Behavior	15,000
	Peter Sherrill	1,000
	Hugh Schwartz	1,000
	Selma Monsky	1,000
	Loren Sears	1,000
	Barbara Richter	1,000
	West Montana Scientists Council for Public Information	600
	Womans Legal Center	2,600
	Tom Devries	500
	Mary Jean Haley	2,100
	Alice T. Marlin	11,700
	Susan Halas	3,400
	Stephen Durkee	1,000
	Randy Mudgett	1,000
	Ida Strickland	1,000
	Jessie Potter	2,000
	Project Jonah (loan converted)	2,000
	Carried forward	$ 127,808

The accompanying notes are an integral part of this statement.

Brought forward		$ 127,808
Gay Luce		3,000
Ginetta Sagen		1,500
Paul Spong		4,000
Merle Goldberg		5,000
*3 Larry Sleitzer		2,000
Wm. L. Bryan		6,174
Richard Nilsen		2,000
Margo St. James		5,500
Eileen Hulse		1,000
Peter Berg		750
Bruce Terris		350
John Milton		350
Patsy Evans		500
Bill & Helga Olkowski		1,000
Joan Bradford/Camilla Mitchell		500
*2 Life Forum		44,000
Sierra Club Defense Club		4,829
Council on Economic Priorities		3,300
New Alchemists		2,000
I.L.S. Labs		2,000
Zome Works		2,000
Rain Dance Foundation		500
Indigena		4,380
Turtle Island		1,500
SAR Project		5,000
Environmental Law Society		200
University of Alaska Earth Week Program		500
Alternative Features Service		3,000
Sex Research		500
Wounded Knee		100
Telephone Project		1,840
Alice Tepper Marlin		2,000
Charles Watson		5,000
Bill Bryan		8,500
Toni Ayers		3,600
Maggie Rubenstein		3,600
Mike Phillips		5,000
S. Brynden		5,000
James Morgan		7,500
Carolyn Smith		3,600
Norma Whittaker		15,000
*3 Larry Sleitzer		3,000
Gary Near		10,000
		308,881
Grant funds returned:		
Diane Shugart	$ 2,912	
*1 Esalen Institute	1,000	
Jerry Mander	15,000	
Huey Johnson	15,000	33,912
		$ 274,969

The accompanying notes are an integral part of this statement.

* Same grantee

POINT

NOTES TO FINANCIAL STATEMENTS
April 30, 1973

NOTE (1).

POINT is a non-profit corporation, tax-exempt under Section 501(c)(3) of the Federal Internal Revenue Code and exempt from California State Franchise tax under the provisions of Section 23701d of the Revenue Taxation Code.

NOTE (2). ACCOUNTS AND LOANS RECEIVABLE

The Random House sales and remittance reports were reviewed and checked in detail from inception through the June 30, 1973 report. Various computations were found to be in order and the amount of the service fee was restored as agreed upon. In this connection we also reviewed amounts paid to Gurney Norman and Bookworks and determined that the amounts paid to them were in accordance with their agreement with POINT. During the course of this review we also examined the printing cost statements and determined unit costs for each printing. These costs ranged from as low as .6837 cents to as high as .8845 cents. Some of this increased cost appears to have resulted from a change in firms who were doing the work. An audit of the Random House cost record and a review of the agreements with them might reveal amounts due POINT for cost over-runs. We did not attempt to determine this amount and the account receivable due from them, as indicated on the balance sheet, is based upon their report for the month of April, 1973.

Included in the records as of April 30, 1973, was a loan receivable from Life Forum in the amount of $6,300. Since this amount was converted to a grant subsequent to the balance sheet date and therefore not receivable, it was transferred to grants paid during the fiscal year.

NOTE (3).

The inventory is stated at cost on a first-in, first-out basis. It consists of 44,915 copies at .73 cents per copy (the last unit cost). The number of copies in the inventory is based upon a statement from Random House as of April 30, 1973.

NOTE (4).

Investments as indicated in EXHIBIT C are stated at cost. The market value of these investments at April 30, 1973 was $595,420. That amount, however, includes $30,000 (the amount paid for 30,000 shares of ZOMEWORKS CORP.) for which no market quote was available at the balance sheet date.

NOTE (5).

Net grants paid for the fiscal year ended April 30, 1973 as indicated on EXHIBIT E $274,969. Grants paid for the period ended April 30, 1972 amounted to $176,000 making a total of $450,969 since inception.

Remaining amounts granted but unpaid as of April 30, 1973 came to $15,750. Since the Board has discretion to withdraw or cancel grants and there is no obligation to continue payments of grants made, this amount was not shown as a liability at the balance sheet date.